"BUYING BEHAVIOUR OF UPPER INCOME SEGMENT TOWARDS CONSUMER GOODSAT SHOPPING MALLS IN DELHI"

SYNOPSIS

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Introduction

The mall culture in India begin to evolve in the year 1998-1999, which covered huge space, integrated with several attractive options including entertainment and leisure activities. Interestingly most shopping malls stood close to one another in a particular area within the city. This mall clustering led to development of fierce competition among the brands and retailers. Delhi, which is indisputably one of the heart throb centers of political activity has always been the breeding ground of shopping for the rich, the upper class segment. During the early 2000s new and innovative malls began to develop and dotted the Central Delhi, West Delhi, South Delhi, later spreading to the hinterland.

The purpose of study is to project shopping behaviour in the shopping malls by the upper or the rich class and conspicuously demonstrate the kind of typical pattern of shopping activities and movements undertaken by the customers, and this also includes the duration, route, as well as the type and sequence of store visits, which will form the base for meaningful insights into adjudging the character of shoppers.

Upper shoppers in the metro cities like Delhi look forward to different types of leisure facilities, architectural extravaganza, decorations in public spaces, cleanliness, arrangement of public seating and the odor in the toilets. All these factors and many more play a critical role in shopping decisions, selection of the stores, in particular the merchandises and the stop points at specific facilities.

Shopping malls in these years are being developed with an innovative concept of space for "activity centres" in the social rubric of superior class communities giving a projectile for establishment of higher dominance and development of social alikeness.

In the year 2006, unorganized retailing comprised a lumpsum of 96% of the total Indian retail, whereas the total organized (non-traditional) retail sector had the share of approximately 4%.

The retail industry attracted global attention as overshoot of an emerging economy going through massive changes. India's thriving economy in the last years had a significant role to play in growth as well as expansion of organized retailing in India. Moreover, the changing governmental policies also led to large scale effect on expansion of organized retail. Organized retailing in last few years has seen a rapid upward growth, and this type of growth is further expected to take on 20% in the year 2020.

The significant increase in the number of shopping malls is not avoidable, and it provides real time shopping experiences, much to likes of upper class customers. The space area of 60,000 sq. ft. to 7,00,000 sq. ft., malls are registered among the largest of the organized retailing in India today. Prominent Tier-I cities (e.g., Mumbai, Delhi) and second tier 2 cities (e.g., Ahmedabad, Jaipur, Nagpur) have seen massive increase in the construction of the malls.

In fact, the malls becoming progressively among the common destinations for all classes of people. Indian cities described as three tiers (i.e., I, II, and III) has the basis drawn from factors such as population, real estate market maturity, house rent allowance (HRA) to public servants working in Government of India institutions. Bangalore, Chennai, Delhi, Hyderabad, Kolkata, and Mumbai are the tier I cities in India, constituting the significant part of living in major cities.

The evolving mall culture in metro cities like Delhi springs from the fact that upper people have a natural craving for a common locality, where they could gather, socialize, connect, and engage.

Shopping Malls and Its Importance

Shopping Mall is described as a huge and expanded space comprising assortment of buildings containing stores, retail shops, business centers with the sole idea of selling local and international brands on retail prices. The stores, retail shops and business centers are connected by an integrated network of walkways and hallways. The malls in Delhi are built as enclosed shopping facilities and even open-air structures.

Physical visibility and product feel render a whole new experience of shopping. Special ambiences, Air conditioning facilities, opportunity for window shopping, food courts, entertainment like movie theatres, game zones etc in shopping malls bring the real boost for high class customers to vouch for mall shopping.

In short, the idea behind building the malls is to give upper shoppers an opportunity to spend their quality time while socializing and entertaining themselves. Having supreme level of fun besides buying expensive products is the idea that lure the rich class shoppers to malls in New Delhi. The phrase "One Stop Shop" clearly defines idea behind shopping and for people who are upper, this idea serves a new feeling, which is often celebrated. The malls show a spendthrift behaviour, much of which is propagated because people who have unlimited money, and are ready to spend the money on just anything and everything.

Challenges faced by Shopping Malls

Mall developers in the Delhi have to face technical and procedural changes in the supply chain, which is primarily due to governmental and political prying. The developers are making improper selection of brands to match the buying capacity and the environment of shoppers. There is also near absence of professionalism in management. In a few malls, there is clear witness that developers do not have idea of catchment area, besides the skills of employees are doubtful. The mall developers have built up a negative attitude of locality where malls are located. There is no uniqueness or differentiation with competitors, and in some cases positioning of malls is not up to the mark.

Tier II and Tier III cities have their own special issues, not witnessed in metro cities. These issues are significantly hindering the growth of malls and simultaneously

developing wretched situations for retailers who already invest money while buying retail space inside the malls. These issues include:

(i) The characteristics of customers visiting mall;

(ii) Few shoppers have absolutely no exposure to state-of-the-art facilities used in malls;

(iii) 'Glass Syndrome': Upper consumers come across absolutely bad shopping conditions, bad hygiene, congested shopping areas. Sometimes, these situations prevent upper class to stay away from entering the malls, despite the fact that mall has international standard infrastructure, clean, escalators and elevators, air conditioned, properly lit, polished, spacious and clean toilets, clean and shinning glasses.

There are zoning problems created by mall developers and landlords, who are leasing out spaces in malls on a first-come-first -serve basis with the purpose of attracting more investments. In such a scenario, a sub-optimal tenant mix is created, where the kids shopping store is likely to end up next to liquor shop.

Malls have problems in designing as in some malls there is one entry and only one exit point. This creates overcrowding and even one of the important reasons for a road rage.

A good or bad impression about the store comes directly from the parking management and space available. Malls in Central Delhi and East Delhi have less parking space and this gives a set back to the mood of upper-class customers when they plan to shop at malls.

In addition, there is inappropriate fencing and faulty of escalators; also, prominent reasons for topical casualties in some malls in the recent past. The visibility of retail units from all vantage points is not conspicuous in many malls.

Literature Review

In the developing countries, there are two different types of models of shopping centers - unorganized (or traditional) retail and organized (or modern) retail. The unorganized, or otherwise traditional, retail format is represented by small privately owned and operated grocery stores (or the Kirana stores), footwear stores, and apparel boutiques (Goel & Dewan, 2011; Mann & Byun, 2011). These are also the mom-and-pop stores. Hand-cart hawkers and pavement vendors come under unorganized retail format. The organized retail in India comprises modern contemporary western retail formats such as supermarkets, 13 hypermarkets, and malls (Gupta, Kim, & Sharma, 2011; Mann & Byun, 2011), operational by incorporating the corporate and modern management techniques (Sengupta, 2008).

The success of each of these models is based on customer satisfaction with reference to selection, atmosphere, convenience, merchandising policy, refreshments served, location, and promotional activities (Anselmsson, 2006).

It is practical observation that accumulations of small stores busy in the sales of similar ranges of goods near the vicinity of shopping malls causes high congestion, causing the diversion of upper customers to newer buying places, which are convenient to move and quite spacious too (Google Search).

Malls have high foot traffic, but there are certain malls, which find this traffic to get converted into real buying visitors. This sours the sensitive relationship existing between the retail tenants and the mall management (Mitra, 2006; Prayag, 2006).

Despite having large crowds coming to shopping malls in Delhi, the money spent by consumers is on expensive and niche products.

The upper customers buying pattern is influenced by educational experiences, where they participate in the buying activity based on knowledge and variety of information. The retail element of shopping malls also points that upper consumers shop not only with the intention to buy goods but they in fact begin to identify and learn the latest trends. Moreover, Indian shopping malls are going out for all new and innovative efforts to give out an overwhelming educational experience to shoppers by means of non-store elements.

To examine the influence of malls on actual buying performance of shoppers, the present study proposes to progress towards items that measure actual purchase behaviour by taking data on buying frequency, and subsequently looking into the types of values associated with buying behaviour of the consumers.

Research Methodology

The present research will be formulated on the basis of research methodology, which is both Explorative and Descriptive in nature. The Descriptive Methodology will focus on "WHAT" of the research object, whereas the Explorative Methodology will put a keen focus on "HOW" and "WHY"

Majority of research will consist of analysing Secondary Data collected through books, magazine, journals, research paper etc. Primary Data will be collected through the means of survey method, where a structured questionnaire is developed on the basis of factors influencing employee relationships within the enterprises and how such relationships are going to nurture a higher rate of satisfaction among the employees within such enterprises.

Research Hypothesis

- H1: There is a significant influence of demographic level of customers towards the buying behaviour regarding shopping malls.
- H2: There is significant relationship between level of satisfaction among upper class customers and services and products availability in shopping malls.
- H3: There is significant relationship between purchase intent of Upper class customers buying in malls and availability of goods, quality and facilities in shopping malls.
- H4: There is significant relationship between Buying behaviour of upper class people and consumer related factors.
- H5: There is significant relationship between Buying behaviour of upper class people and market related factors

Research Questions/Scope of the Study

- How the rich class consumers search for their products?
- How do the upper consumers evaluate the products before they buy them?
- How do the consumers make the decisions on what they want to buy?
- What are the dissatisfaction levels of the rich class consumers?
- How Advertising Helps in Influencing the Buying Decision of Rich Class Consumers?

Research Objective

- To know what type of strategies are used by the retail stores in attracting rich class consumers.
- To understand the buying behaviour of the rich consumers in retail stores.
- To interpret the key factors, which influence the buying decision of the consumers.
- To know the level of satisfaction of consumers.
- To understand the perception of the buying behaviour of rich consumers.

Research Area

The research area designated for studywill be Delhi for the reason that it has an urbanely social and technologically rich structure, and upper consumers often throng to these places for their routine buying. The research area in Delhi would include East Delhi, South Delhi, and North Delhi.

The areas selected for research will be helpful in resourcing reliable primary data in precise quantity within the stipulated timeframe.

Sampling

Size of the Sample

The size of sample instituted for proposed study will be 250, which includes service sector, education sector and the manufacturing sector. Selecting malls from East, South, and North Delhi will highlight the nature, character, ethnic classification of the upper class consumers. Since the sample size is varied, it will offer a clear distinction with respect to objective of study.

Demography and Area Selection	Malls Visited
Malls in South Delhi	115
Malls in East Delhi	75
Malls in North Delhi	60
Total	**250**

Table 1 – Types of Data Collected

Sampling Technique

Non-probability sampling method will be employed, and sampling technique will include snow-ball and judgmental. The purpose of Non-probability sampling out here entails random data and information collection without giving individuals equal number of chances of being selected.

On the contrary, probability sampling method do not follow random selection, rather the method allows selection of population on the basis of education, availability in particular region or point of time or maybe on personal judgment of the researcher who proposes the study.

Judgmental sampling or purposive sampling has a specific purpose in the mind of the researcher, with relevance to proposed research. The population samples are chosen randomly and only after making a sound judgment.

Snowball sampling is carried when population size is limited. Here the researcher asks the initial subject to recognize and categorize another potential subject who intends to meet sampling criteria.

Data Collection Methods

The process of collection appropriate data with respect to the research is called Data Collection. Such collection of data is relevant to test the hypothesis, evaluate the outcomes and also find appropriate answers to the projected research. There are two types of data collection methods – Primary Method of Data Collection and Secondary Method of Data Collection

Primary Data Collection Methods

Primary data collection is qualitative in nature. The **Qualitative Data Collection method** do not involve numbers or mathematical calculations, and has strong association with words, sounds, feeling, emotions, colours and other elements, which are rather abstract and cannot be calculated by numbers. With the help of qualitative studies, the researcher has an advantage to aim to ensure greater level of understanding, where the data is collected by conducting interviews, questionnaires with open-ended questions, focus groups, observation, game or role-playing, case studies etc.

Secondary Data Collection Methods

Secondary data is already been published in books, newspapers, magazines, journals, online portals, sources likes case studies, magazines, newspapers, books, etc. There is variety of data available on these sources around the research area. Therefore, it is necessary to use appropriate set of criteria for selecting secondary data to be used in the study for achieving the levels of research validity and reliability.

Primary Data

The proposed research in the primary data will be collated and collected through means of questionnaires and interviews.

Questionnaire

A structured non-disguised questionnaire will be developed. Before implementing the questionnaire, it will be tested on a small sample for testing the logic, validity and reliability. The questionnaire will consist of only closed ended questions. All the statements of questionnaire were measured using multiple items on five-point Likert scale. **1 = Strongly Disagree**, 2 = Disagree, 3 = Neutral, 4 = Agree, **5 = Strongly Agree**.

Interview and Its Nature

The researchers will also conduct interviews with Mall owners and try to investigate the behaviour of the upper class, when they enter into the high profile and elaborate mall space for leisure buying.

Conclusion

India is seen as growing economy based on the projection that it will grow overwhelmingly in next few years. The rapid growth of GDP has brought an alarming growth in its domestic growth industry. With this expansion, the buying power of its citizens, especially those belonging to rich and the upper class has developed at an alarming rate. The current trend in organized retail sector, specifically shopping malls has provided a fertile platform for rich class to not only indulge in their spend thrift attitude, but also boost the sales of pricey products, which usually becomes available at an alarmingly high price value.

Since the malls in Delhi are offering increasingly attractive recreational infrastructure, extended working hours, spacing for exhibitions and demonstrations alongside delivering innovative and high technology products and services, it becomes evident that high class consumers are bound to get attracted.

The higher increase in interest of shopping at malls, has been overwhelmingly aroused by presence of multiplicity of attractions in the air-conditioned malls, presence of inter-personal influences, sales promotions and much more. The chief factors that mark shopping arousal among upper shoppers is their concern towards nearness to the malls, international class ambience and store appeal, holding relevance to products and services, brand value and price.

In the near future as India's economy is slated for a rise, where it will compete internationally, and organized retail sector diversifies the malls in Delhi, and this is going to have surprisingly more offers on the shelves for upper class than ever.

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Submitted by: Ms. Shikha Rani
Under the guidance of:
In collaboration with:
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"Buying Behavior of Upper Income segment towards Consumer Goods at Shopping Malls"
Introduction
The mall culture in India begin to evolve in the year 1998-1999, which covered huge space, integrated with several attractive options including entertainment and leisure activities. Interestingly most shopping malls stood close to one another in a particular area within the city. This mall clustering led to development of fierce competition among the brands and retailers. Delhi, which is indisputably one of the heart throb centers of political activity has always been the breeding ground of shopping for the rich, the upper class segment. During the early 2000s new and innovative malls began to develop and dotted the Central Delhi, West Delhi, South Delhi, later spreading to the hinterland. The purpose of study is to project shopping behavior in the shopping malls by the upper or the rich class and conspicuously demonstrate the kind of typical pattern of shopping activities and movements undertaken by the customers, and this also includes the duration, route, as well as the type and sequence of store visits, which will form the base for meaningful insights into adjudging the character of shoppers. Upper shoppers in the metro cities like Delhi look forward to different types of leisure facilities, architectural extravaganza, decorations in public spaces, cleanliness, arrangement of public seating and the odor in the toilets. All these factors and many more play a critical role in shopping decisions, selection of the stores, in particular the merchandises and the stop points at specific facilities. Shopping malls in these years are being developed with an innovative concept of space for "activity centres" in the social rubric of superior class communities giving a projectile for establishment of higher dominance and development of social alikeness. In the year 2006, unorganized retailing comprised a lumpsum of 96% of the total Indian retail, whereas the total organized (non-traditional) retail sector had the share of approximately 4%. The retail industry attracted global attention as overshoot of an emerging economy going through massive changes. India's thriving economy in the last years had a significant role to play in growth as well as expansion of organized retailing in India. Moreover, the changing governmental policies also led to large scale effect on expansion of organized retail. Organized retailing in last few years has seen a rapid upward growth, and this type of growth is further expected to take on 20% in the year 2020. The significant increase in the number of shopping malls is not avoidable, and it provides real time shopping experiences, much to likes of upper class customers. The space area of 60,000 sq. ft. to 7,00,000 sq. ft., malls are registered among the largest of the organized retailing in India today. Prominent Tier-I cities (e.g., Mumbai, Delhi) and second tier 2 cities (e.g., Ahmedabad, Jaipur, Nagpur) have seen massive increase in the construction of the malls. In fact, the malls becoming progressively among the common destinations for all classes of people. Indian cities described as three tiers (i.e., I, II, and III) has the basis drawn from factors such as population, real estate market maturity, house rent allowance (HRA) to public servants working in Government of India institutions. Bangalore, Chennai, Delhi, Hyderabad, Kolkata, and Mumbai are the tier I cities in India, constituting the significant part of living in major cities. The evolving mall culture in metro cities like Delhi springs from the fact that upper people have a natural craving for a common locality, where they could gather, socialize, connect, and engage.